

UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA

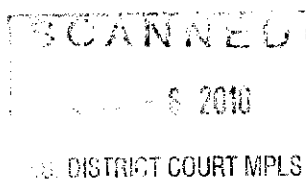
UNITED STATES OF AMERICA,)	INFORMATION CR10-277-JRT
)	
Plaintiff,)	
)	
v.)	
)	(18 U.S.C. § 1341)
PHILLIP WEBB,)	
)	
Defendant.)	

THE UNITED STATES ATTORNEY CHARGES THAT:

COUNT 1
(Mail Fraud)

Between on or about June 1, 2007 and on or about October 11, 2009 the defendant devised and intended to devise a scheme and artifice to defraud and to obtain money and property (specifically, computer equipment) from Cisco Systems, Inc. and the Postal Credit Union by means of materially false and fraudulent pretenses, representations, and promises. In furtherance of that scheme and artifice to defraud, the defendant deposited and caused to be deposited any matter or thing whatever, to be sent and delivered by a private, commercial interstate carrier, specifically Federal Express, all in violation of Title 18, United States Code, Section 1341.

The defendant was the Manager of Network Services at the Postal Credit Union ("PCU"), a retail financial institution. The defendant's scheme and artifice to defraud consisted of the defendant falsely notifying Cisco Systems, Inc. that a Cisco part in one of the PCU's computer systems was faulty. Under the terms



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of the Service Agreement between Cisco and the PCU, this notification began a process by which Cisco dispatched to the PCU a replacement part and the PCU returned to Cisco the defective part. These shipments, in both directions, used Federal Express. The defendant's claims that a part was defective were false. The defendant privately sold, for his own benefit, the replacement part that was received from Cisco. In order to satisfy the Service Agreement's requirement that the defective part be returned to Cisco, the defendant would obtain a cheaper part, usually on the secondhand market, that was close in design and function to the part he had falsely claimed was stolen, and would return this cheaper part to Cisco.

In furtherance of the scheme and artifice to defraud, on or about June 29, 2009, the defendant contacted the Cisco technical assistance center and falsely reported that a Cisco WS-C3560-48PS-S part, described as a "48 ethernet port Cisco Catalyst 3560 Series Switch," bearing serial number FOC1034YOYG, with a value of approximately \$7,500, was faulty. Pursuant to its service contract with the Postal Credit Union, on or about June 29, 2009 Cisco sent to the Postal Credit Union a replacement WS-C3560-48PS-S part, serial number FOC1019Y3HR. Upon receipt of this replacement part from Cisco, the defendant did not return to Cisco the WS-C3560-48PS-S that he had falsely claimed was defective, but instead sent to Cisco via Federal Express, on or about July 10, 2009, a less expensive part, a WS-3548-XL-EN, bearing serial number FAA0425K09B.

Forfeiture

The Defendant acknowledges that the government is not waiving and expressly reserves its rights to seek the forfeiture of any of the Defendant's real or personal property in criminal, civil, or administrative proceedings as provided by law, including but not limited to such property that is traceable to, derived from, or constitutes proceeds of his offense, as well as such property which constitutes forfeitable substitute assets.

Dated: *October 5, 2010*

B. TODD JONES
United States Attorney

A handwritten signature in cursive script, reading "John Docherty".

BY: John Docherty
Assistant U.S. Attorney
Attorney ID No. 017516x